

UNITED STATES OF AMERICA
Before the
OFFICE OF THRIFT SUPERVISION

_____)	
In the Matter of)	Re: Order No. ATL-98-2
)	
JAMES T. BELL,)	Dated: April 6, 1998
)	
a Former Controlling Stockholder.)	
Director and Officer of)	
Federal Trust Bank,)	
Winter Park, Florida)	

**STIPULATION AND CONSENT TO THE ISSUANCE OF AN
ORDER TO CEASE AND DESIST FOR AFFIRMATIVE RELIEF**

WHEREAS, the Office of Thrift Supervision (“OTS”), based upon information derived from the exercise of its regulatory responsibilities, has informed JAMES T. BELL, who at all relevant times was a former controlling stockholder, director or officer of Federal Trust Bank, Winter Park, Florida (“Federal Trust Bank”), that grounds exist to initiate administrative cease-and-desist proceedings against him pursuant to 12 U.S.C. §1818(b);¹ and

WHEREAS, JAMES T. BELL desires to cooperate with the OTS and to avoid the time and expense of such administrative proceedings and, without admitting or denying that such grounds exist, or the Findings of Fact or opinions and conclusions of the OTS, except as to Jurisdiction (paragraph 1, below), which is admitted, hereby stipulates and agrees to the following:

¹ All references to the United States Code (“U.S.C.”) are as amended, unless otherwise indicated.

1. Jurisdiction. (a) Federal Trust Bank is a “savings association” **within the meaning of** 12 U.S.C. §1813(b) and 12 U.S.C. §1462(4). Accordingly, it is an “insured depository **institution**” as that term is defined in 12 U.S.C. §1813(c).

(b) JAMES T. **BELL, at all relevant** times was a controlling shareholder of Federal Trust Bank and/or its holding company, Federal Trust Corporation, and a director and/or an **officer** of Federal Trust Bank, and an “institution-affiliated party” as that term is defined in 12 U.S.C. § 1813(u), having served in such capacity within six (6) years **of the** date hereof. See 12 U.S.C. § 1818(i)(3).

(c) Pursuant to 12 U.S.C. §1813(q), the Director of the OTS is the “appropriate Federal banking agency” to maintain administrative proceedings against such a savings association or its institution-affiliated parties. Therefore, JAMES T. BELL is subject to the jurisdiction of the OTS to initiate and maintain administrative proceedings against him pursuant to 12 U.S.C. § 1818(b). The Director of the OTS has delegated to the Regional Director of the Southeast Region of the OTS or his designee (“Regional Director”) the authority to issue orders where the individual subject to the order has consented to its issuance.

2. OTS Findings of Fact. The OTS finds that:

In or about 1990 and 1991, JAMES T. BELL attracted a number of borrowers to Federal Trust Bank seeking loans in connection with real estate projects (“the Borrowers”). In connection with the Borrowers, JAMES T. BELL caused Federal Trust Bank to make loans to various entities and related parties to benefit the real estate projects. Those loans exceeded the **Loans-To-One-Borrower** limitation pursuant to 12 C.F.R. § 560.93 (“LTOB”) under which Federal Trust Bank was then operating. JAMES T. BELL designed or approved of the structuring of the loans which resulted

in the violations of the LTOB regulations. As a result of the loans, Federal Trust Bank suffered substantial losses.

3. Consent. JAMES T. BELL consents to the issuance by the OTS of the accompanying Order to Cease and Desist for Affirmative Relief ("Order"). JAMES T. BELL further agrees to comply with the terms of the Order upon issuance, and stipulates that the Order complies with all requirements of law.

4. Finality. The Order is issued pursuant to 12 U.S.C. §1818(b). Upon its issuance by the OTS, it shall be a final order, effective and fully enforceable by the OTS under the provisions of 12 U.S.C. §1818(i).

5. Waivers. JAMES T. BELL waives the following:

- (i) the right to be served with a written notice of the OTS's charges against him as provided by 12 U.S.C. § 181 S(b);
- (ii) the right to an administrative hearing of the OTS's charges against him as provided by 12 U.S.C. §1818(b);
- (iii) the right to seek judicial review of the Order, including, without limitation, any such right provided by 12 U.S.C. § 1818(h), or otherwise to challenge the validity of the Order;
- (iv) any and all claims against the OTS, including its employees and agents, and any other governmental entity for the award of fees, costs or expenses related to this OTS enforcement matter and/or the Order, whether arising under common law, the Equal Access to Justice Act, 5 U.S.C. § 504, or 28 U.S.C. §2412.

6. Indemnification Limitations. JAMES T. BELL represents that he has not received, directly or indirectly, any sums ~~from~~ Federal Trust Bank for the purpose of indemnifying or reimbursing him for any expenses incurred by him in connection with the OTS investigation, commenced with OTS Resolution ATL-96-5 dated June 14, 1996, relating to the issuance ~~of the~~ Order. JAMES T. BELL shall neither cause nor permit Federal Trust Bank (or any successor institution, subsidiary or service corporation thereof) to incur, directly or indirectly, any expense for any legal or other professional services rendered to JAMES T. BELL relative to the negotiation and issuance of the Order, nor obtain any indemnification (or other reimbursement) from Federal Trust Bank (or any successor institution, subsidiary or service corporation thereof) with respect to such expenses. In the event that any such payments are received by or on behalf of JAMES T. BELL in connection with this action, JAMES T. BELL agrees promptly to notify the OTS of the receipt of such payments and to return such payments without delay to Federal Trust ~~Bank~~ (or any successor institution, subsidiary or service corporation thereof).

7. Scope of Release: Other Governmental Actions Not Affected.

(a) Upon the OTS's issuance of the accompanying Order, following the OTS's acceptance of this Stipulation executed by JAMES T. BELL, the OTS does hereby forever release and discharge JAMES T. BELL from all potential claims and charges that have been or might have been asserted by the OTS based on the alleged violations and unsafe or unsound practices summarized in the Findings of Fact set forth at paragraph 2 of this Stipulation and as described below. JAMES T. BELL understands that the release provided by this paragraph is limited solely to administrative actions the OTS could ~~take~~ based on the above-alleged violations and ~~unsafe~~ or unsound practices summarized in the above OTS Findings of Fact, or in any findings or conclusions

contained in any Report of Examination of Federal Trust Bank, or its holding company, Federal Trust Corporation, conducted by the OTS prior to the effective date of this Order. It is the express intent of this paragraph of the Stipulation to release and discharge JAMES T. BELL from all accountability to the OTS for any and all actions and transactions that occurred while JAMES T. BELL was an institution-affiliated party to such entities, which actions or transactions were known by the OTS, or which through reasonable diligence could have been known by the OTS, as a result of the official conduct of regulatory examinations and investigations of Federal Trust Bank and Federal Trust Corporation by the OTS prior to the effective date of the Order. This release shall not preclude or effect any right of the OTS to determine and ensure compliance with the terms and provisions of the Order and this Stipulation.

(b) JAMES T. BELL acknowledges and agrees that his consent to the issuance of the Order is solely for the purpose of resolving certain potential OTS administrative enforcement charges as provided by paragraph 7(a) above, and does not otherwise release, discharge, compromise, settle, dismiss, resolve, or in any way affect any actions, charges against, or liability of JAMES T. BELL that arise pursuant to this action or otherwise and that may be or have been brought by another governmental entity.

8. Miscellaneous. (a) The construction and validity of this Stipulation and the Order shall be governed by the laws of the United States of America;

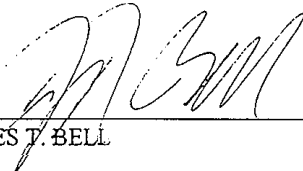
(b) All references to the OTS in this Stipulation and the Order shall also mean any of the OTS's predecessors, successors, and assigns;

(c) The section and paragraph headings in this Stipulation and the Order are for convenience only, and such headings shall not affect the interpretation of this Stipulation or the Order;

(d) The terms of this Stipulation and the Order represent the final written agreement of the parties with respect to the subject matters hereof, and constitute the sole agreement of the parties with respect to such subject matters; and

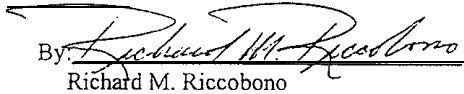
(e) This Stipulation and the Order shall remain in effect until terminated, modified, or suspended in writing by the OTS, acting through its Director, Regional Director, or other authorized representative.

WHEREFORE, on this 3rd day of March 1998, JAMES T. BELL executes this Stipulation, intending to be legally bound hereby.



JAMES T. BELL

Accepted on the date of the order by:
OFFICE OF THRIFT SUPERVISION

By 

Richard M. Riccobono
Acting Regional Director, Southeast Region

UNITED STATES OF AMERICA
Before the
OFFICE OF THRIFT SUPERVISION

_____)	
In the Matter of)	
)	Order No. ATL-98-2
JAMES T. BELL,)	
)	Date: April 6, 1998
a Former Controlling Stockholder,)	
Director and Officer of)	
Federal Trust Bank,)	
Winter Park, Florida)	

ORDER TO CEASE AND DESIST FOR AFFIRMATIVE RELIEF

WHEREAS, JAMES T. BELL has executed a Stipulation and Consent to the Issuance of an Order to Cease and Desist for Affirmative Relief (“Stipulation”); and

WHEREAS, JAMES T. BELL, by his execution of the Stipulation, has consented and agreed to the issuance of this Order to Cease and Desist for Affirmative Relief (“Order”) pursuant to 12 U.S.C. § 1818(b).¹

WHEREAS, the Director of the Office of Thrift Supervision (“OTS”) has delegated to the Regional Directors of the OTS the authority to issue an Order to Cease and Desist for Affirmative Relief on behalf of the OTS where the institution-affiliated party who is the subject of the Order has consented to the issuance of the Orders.

¹ All references to the United States Code (“U.S.C.”) are as amended, unless otherwise indicated.
OTS Order to JAMES T. BELL
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NOW, THEREFORE, IT IS ORDERED, pursuant to 12 U.S.C. § 181 8(b), that:

1. JAMES T. BELL shall not, without the prior written approval of the Regional Director of the Southeast Region of the OTS (or, if the institution is not regulated by the OTS, without the prior approval of an appropriate senior official of the appropriate Federal banking agency), seek or accept any position as officer, director or other institution-affiliated party with any insured depository institution, or any other institution listed under 12 U.S.C. § 1818(e)(7)(A), if such position involves direct or indirect participation in or oversight of any phase of such institution's lending, credit-granting or investment activities in any form or manner.

2(a). In connection with any position sought or obtained by JAMES T. BELL in accordance with paragraph 1 of this Order, JAMES T. BELL, at the earliest practicable opportunity, and in any event at least thirty (30) days before accepting the new employment or appointment at any insured depository institution, shall provide written notice of such intended employment change to: (i) the Regional Director of the OTS's Southeast Regional Office at 1475 Peachtree Street, N.E., Atlanta, Georgia; and (ii) the Regional Director of the Federal Deposit Insurance Corporation . JAMES T. BELL shall include the following information in such written notice: (i) the name and mailing address of the Bank that may or intends to hire or appoint him; (ii) his intended title and position description at the hiring Bank (including name of department, office, or branch where his work will be conducted); (iii) the name, address, and telephone number of the person who is the supervisor at the Bank department, office or branch; and (iv) a reference to this Order.

(b). Also in connection with any position sought or obtained by JAMES T. BELL in accordance with paragraph 1 of this Order, JAMES T. BELL shall also provide a copy of this Order

and the accompanying Stipulation to such insured depository institution prior to **accepting** such appointment or position.

3. JAMES T. BELL shall cease and desist from any action (alone or with another or others) for or toward causing, bringing about, participating in, counseling or the aiding and **abetting of any** unsafe or unsound practice or violation of any law or regulation in connection with the **operation of** any insured depository institution..

4. JAMES T. BELL shall not acquire, directly or indirectly, ownership or control of more than five per cent (5%) of the outstanding voting stock of any insured depository institution. Any acquisition by JAMES T. BELL of more than **five per cent (5%)** of the outstanding voting stock of any insured depository institution through gift or inheritance shall be treated and handled in accordance with the requirements of 12 C.F.R. §574.3(d). Any acquisition of such stock by the spouse or other family member of JAMES T. BELL shall also be treated and handled in accordance with the requirements of 12 C.F.R. §574.3(d).

5. JAMES T. BELL, for the purpose of making restitution and providing reimbursement pursuant to 12 U.S.C. § 1818(b)(6), shall pay Fifty Thousand Dollars (\$50,000) to Federal Trust Bank in the following **manner**: within ninety (90) days of the effective date of this Order, JAMES T. BELL shall make a payment to Federal Trust Bank of Twenty-Five Thousand Dollars (**\$25,000**); and within one hundred and eighty (180) days of the effective date of this Order, JAMES T. BELL shall make an additional payment to Federal Trust Bank of Twenty-Five Thousand Dollars (\$25,000). JAMES T. BELL shall make said payments by delivering to the President of Federal Trust Bank certified checks or cashier's checks in the aforesaid amounts payable to the order of Federal Trust Bank, accompanied by a letter for each payment explaining that the payment is being made in accordance with the requirements of this Order. JAMES T. BELL shall deliver to the OTS a

true copy of each check and letter at the same time that the originals thereof are delivered to Federal Trust Bank, by facsimile or overnight delivery, to Park T. Zimmerman, OTS, 1475 Peachtree Street, N.E., Atlanta, Georgia, 30309 [Fax No.: (404) 897-1861].

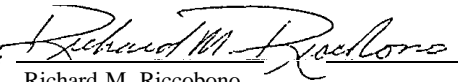
6. The Stipulation is made a part hereof and is incorporated herein by reference.

7. JAMES T. BELL shall promptly respond to any request **from** the OTS for documents that the OTS reasonably requests to demonstrate compliance with this Order.

8. This Order is and shall become effective on the date it is issued, as shown in the caption hereof, The Stipulation and the Order shall remain in effect until terminated, modified or suspended, in writing by the OTS, acting through its Director, Regional Director or other authorized representative.

OFFICE OF THRIFT SUPERVISION

BY: _____


Richard M. Riccobono
Acting Regional Director, Southeast Region